

**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**In the Claims:**

1. (Currently Amended) A transcoder, said transcoder comprising:
  - a) a frame buffer;
  - b) an encoder receiving input from said frame buffer;
  - c) a ~~vbv~~-video buffer receiving input from said encoder;
  - d) a channel interface receiving input from said ~~vbv~~-video buffer;
  - e) a channel rate control connected to said ~~vbv~~-video buffer and said channel interface; and
  - f) a transcoder rate control connected to said frame buffer, said encoder, said ~~vbv~~ video buffer and said channel rate control, configured to ~~monitor video data in said frame buffer and to monitor the fullness of said vbv video buffer~~
    - i) calculate a current value of the number of bits in the video buffer,
    - ii) if the current value of the number of bits in the video buffer is less than a lower threshold, decrease rate reduction for video data in the frame buffer and applied by the encoder,
    - iii) if the current value of the number of bits in the video buffer is greater than an upper threshold, increase rate reduction for video data in the frame buffer and applied by the encoder,
2. (Original) The transcoder of claim 1 further comprising a decoder to provide input to said frame buffer.

3. (Currently Amended) The transcoder of claim 1 wherein said channel rate control is configured to monitor ~~monitors~~ the fullness of said ~~vbv-video~~ buffer and control ~~controls~~ the output of said ~~vbv-video~~ buffer to meet a target bit rate in transmitting data to said channel interface.

4. (Currently Amended) The transcoder of claim 3 wherein said transcoder rate control monitors the contents of said frame buffer and said ~~vbv-video~~ buffer to ensure said ~~vbv-video~~ buffer does not underflow nor overflow, said transcoder rate control using the results of said monitoring to control the rate at which frames are extracted from said frame buffer, encoded by said encoder and sent to said ~~vbv-video~~ buffer.

5. (Currently Amended) The transcoder of claim 4 wherein said transcoder rate control is configured to utilize ~~utilizes~~ rate reduction means to achieve a target bit rate, said target bit rate being the rate at which data is provided from said ~~vbv-video~~ buffer to said channel interface.

6. (Original) The transcoder of claim 5 wherein said transcoder rate control further comprises requantization means, said requantization means selectively requantizing the transform coefficients of the macroblocks of a frame based upon image quality degradation.

7. (Currently Amended) The transcoder of claim 1, wherein said transcoder rate control is configured to modify ~~modifies~~ the quantizer scale of macroblocks in frames transmitted from said ~~vbv-video~~ buffer to said channel interface.

8. (Currently Amended) The transcoder of claim 1, wherein said transcoder rate control is configured to insert inserts a ~~vbv~~-video delay value for frames transmitted by said channel interface.

9. (Currently Amended) A method of controlling the rate of an MPEG video stream to achieve a target bit rate, said method comprising the steps of:

a) computing a rate reduction factor, wherein computing the rate reduction factor includes

1) calculating a current value of the number of bits in a video buffer that receives compressed video data from an encoder,

2) if the current value of the number of bits in the video buffer is less than a lower threshold, decreasing rate reduction for video data in a frame buffer using the rate reduction factor,

3) if the current value of the number of bits in the video buffer is greater than an upper threshold, increasing rate reduction for video data in the frame buffer using the rate reduction factor;

b) computing a quantizer scale, wherein the rate reduction factor and the quantizer scale are computed using the current value of the number of bits in the ~~vbv~~-video buffer and frame buffer information;

c) applying the results of steps a) and b) to [[an]] the encoder to achieve said target bit rate; and

d) repeating steps a) to c) for a plurality of frames in said video stream.

10. (Currently Amended) The method of claim 9 wherein step a) comprises the steps of:

i) setting said rate reduction factor to and a rate increase variable to 0;

- ii) adding the size of a current frame in a frame buffer to a total size variable;
- iii) adding the duration of the current frame to a total delays variable;
- iv) calculating a current value of the number of bits in a ~~vbv~~-video buffer;
- v) if the current value of the number of bits in the ~~vbv~~-video buffer is less than [[a]] the lower threshold, increasing said rate reduction factor;
- vi) if the current value of the number of bits in the ~~vbv~~-video buffer is greater than [[an]] the upper threshold, increasing said rate increase variable; and
- vii) repeating steps ii) to vi) for a plurality of frames in a said frame buffer.

11. (Original) The method of claim 10 wherein step a) further comprises the steps of:

- viii) calculating a rate reduction factor for the current frame if needed, otherwise setting a value for a channel bit rate.

12. (Original) The method of claim 10 wherein step b) further comprises the steps of:

- i) calculating a cumulative distribution function for each macroblock in a current frame;
- ii) initializing a quantizer multiplier array;
- iii) setting the quantizer scale for each macroblock in the current frame;
- iv) calculating a quantizer multiply for each macroblock in the current frame; and
- vi) setting a quantizer scale code for each macroblock in the current frame.

13. (Currently Amended) A video encoding system, said system accepting as input a source stream and outputting a modified stream, said system comprising means to determine the amount of rate reduction necessary to achieve a target bit rate for said modified stream, wherein the

amount of rate reduction necessary is determined using ~~video~~ video buffer and frame buffer information.

14. (Currently Amended) The system of claim 13 further comprising means to compute ~~video~~ video buffer occupancy and means to compute rate reduction based on said target bit rate.

15. (Original) The system of claim 14 further comprising means to requantize transform coefficients of the macroblocks in a frame.

16. (Original) The system of claim 15 wherein said output video stream contains a new quantizer scale for each macroblock of each frame as calculated by said means to requantize.

17. (Currently Amended) The system of claim 14, wherein said system may insert a new ~~video~~ video delay for each frame contained in said output video stream.

18. (Currently Amended) A computer readable medium including instructions for controlling the rate of an MPEG video stream to achieve a target bit rate, said instructions performing the steps of:

a) computing a rate reduction factor, wherein computing the rate reduction factor includes

1) calculating a current value of the number of bits in a video buffer that receives compressed video data from an encoder,

2) if the current value of the number of bits in the video buffer is less than a lower threshold, decreasing rate reduction for video data in a frame buffer using the rate reduction factor,

3) if the current value of the number of bits in the video buffer is greater than an upper threshold, increasing rate reduction for video data in the frame buffer using the rate reduction factor;

b) computing a quantizer scale, wherein the rate reduction factor and the quantizer scale are computed using the current value of the number of bits in the ~~vbv~~-video buffer and frame buffer information;

c) applying the results of steps a) and b) to [[an]] the encoder to achieve said target bit rate; and repeating steps a) to c) for a plurality of frames in said video stream.

19. (Currently Amended) The medium of claim 18 wherein step a) comprises the steps of:

- i) setting said rate reduction factor and a rate increase variable to 0;
- ii) adding the size of a current frame in a frame buffer to a total size variable;
- iii) adding the duration of said current frame to a total delays variable;
- iv) calculating a current value of the number of bits in a ~~vbv~~-video buffer;
- v) if the current value of the number of bits in the ~~vbv~~-video buffer is less than [[a]] the lower threshold, increasing said rate reduction factor;
- vi) if the current value of the number of bits in the ~~vbv~~-video buffer is greater than [[an]] the upper threshold, increasing said rate increase variable; and
- vii) repeating steps ii) to vi) for a plurality of frames in said frame buffer.

20. (Original) The medium of claim 19 wherein step a) further comprises the step of:

- viii) calculating a rate reduction factor for said current frame if needed, otherwise setting a value for a channel bit rate.

21. (Original) The medium of claim 18 wherein step b) further comprises the steps of:

- i) calculating a cumulative distribution function for each macroblock in a current frame;
- ii) initializing a quantizer multiplier array;
- iii) setting the quantizer scale for each macroblock in a current frame;
- iv) calculating a quantizer multiply for each macroblock in the current frame; and
- vi) setting a quantizer scale code for each macroblock in the current frame.

22. (Currently Amended) A system for controlling the rate of an MPEG video stream to achieve a target bit rate, said system comprising:

a) means for computing a rate reduction factor, wherein the means for computing the rate reduction factor includes

1) means for calculating a current value of the number of bits in a video buffer that receives compressed video data from an encoder,

2) if the current value of the number of bits in the video buffer is less than a lower threshold, means for decreasing rate reduction for video data in a frame buffer using the rate reduction factor,

3) if the current value of the number of bits in the video buffer is greater than an upper threshold, means for increasing rate reduction for video data in the frame buffer using the rate reduction factor, and;

b) means for computing a quantizer scale, wherein the rate reduction factor and the quantizer scale are computed using the current value of the number of bits in the ~~video~~ video buffer and frame buffer information;

c) means for applying the results of steps a) and b) to [[an]] the encoder to achieve said target bit rate.

23. (Currently Amended) The system of claim 22 wherein means for computing a rate reduction factor comprises:

- i) means for setting said rate reduction factor and a rate increase variable to 0;
- ii) means for adding the size of a current frame in a frame buffer to a total size variable;
- iii) means for adding the duration of the current frame to a total delays variable;
- iv) means for calculating a current value of the number of bits in a ~~vbv-video~~ buffer;
- v) means for increasing said rate reduction factor if the current value of the number of bits in the ~~vbv-video~~ buffer is less than [[a]] the lower threshold; and
- vi) means for increasing said rate increase variable if the current value of the number of bits in the ~~vbv-video~~ buffer is greater than [[an]] the upper threshold.

24. (Original) The system of claim 23 wherein said means for computing a rate reduction factor further comprises:

- vii) means for calculating a rate reduction factor for said current frame if needed, otherwise setting a value for a channel bit rate.

25. (Original) The system of claim 22 wherein said means for computing a quantizer scale comprises:

- i) means for calculating a cumulative distribution function for each macroblock in a current frame;
- ii) means for initializing a quantizer multiplier array;
- iii) means for setting the quantizer scale for each macroblock in the current frame;
- iv) means for calculating a quantizer multiply for each macroblock in the current frame; and



vi) means for setting a quantizer scale code for each macroblock in the current frame.